

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF
THE MIAMI BEACH EMPLOYEES' RETIREMENT PLAN
OF THE CITY OF MIAMI BEACH
August 7, 2012

Chairman Boyd called the meeting to order at 10:16 a.m.

Board Members present were as follows:

James Boyd	Hilda Fernandez	Carla Gomez
	Warren Green	Ray Horday
	Jonathan Sinkes	Patricia Walker

Members absent -	Richard McKinnon	Jorge Gomez
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Also present were:

Steve Cypen	Legal Counsel
Rick Rivera	Pension Administrator
Robert Martinez	Assistant Administrator
Bill Cottle	Fund Evaluator
David Schwarzenberger	Investment Manager, WHV
Reiner Triltsch	Investment Manager, WHV
Bart McMurry	Investment Manager, ICC
Timothy Finch	Budget Officer

CONSENT AGENDA

The Administrator requested an addendum for a retirement application for current employee Betty Smith.

A motion was made by Ms. Fernandez duly seconded by Mr. Sinkes, and with all in favor it was unanimously

RESOLVED that Betty Smith's retirement application be added to the Consent Agenda.

A motion was made by Ms. Fernandez duly seconded by Ms. Gomez, and with all in favor it was unanimously

RESOLVED that consent agenda be approved as amended.

C-1 The Minutes of the July 10, 2012 board meeting was approved as presented.

PENSION BOARD MINUTES

August 7, 2012

Page 2

C-2 New Members were approved as follows -

<u>NAME</u>	<u>ID #</u>	<u>CLASSIFICATION</u>	<u>Union</u>	<u>HIRE</u>	<u>Probation Completion Date</u>
Carl Zablotny	20056	Office Associate V	Unc	6/18/2012	N/A
Tania Cabrera	20064	Truancy Coordinator	Unc	7/3/2012	N/A

C-3 New Retiree Allowances were approved as follows -

<u>Name</u>	<u>Date</u>	<u>Retirement Type</u>	<u>Monthly Amount</u>
Luisa Salazar	9/01/2012	Ordinary Ret. from DROP	\$ 3,164.43
Luis Ortiz	9/01/2012	J&S 66 2/3% from DROP	\$ 3,001.50
Beverly Wade	9/01/2012	Ordinary Service Ret.	\$ 1,443.94
John Ellis	8/01/2012	J&S 66 2/3% Ret. From Vested	\$ 2,711.90
Betty Smith	9/01/2012	J&S 66 2/3% Ret.	\$ 3,765.61

C-4 New Pensioner Allowances were approved as follows -

<u>Name</u>	<u>Date of Retirement</u>	<u>Ret. Type</u>	<u>Dependent upon</u>	<u>Amount</u>
Jeanne Solt	7/01/2012	50% Contin.	Carl Solt	\$1,033.27

C-5 Requests for Lump Sum Refunds were approved as follows -

<u>Name</u>	<u>Separation Date</u>	<u>Amount</u>	<u>Reason</u>
Katherine Klose	06/14/2012	\$ 17,060.17	Resignation
Angel Paulino	07/20/2012	\$ 1,138.44	Resignation
Laura Reece	04/30/2012	\$10,434.69	Resignation
Susana Alonso	06/29/2012	\$ 47,382.97	Resignation

C-6 Request for Accumulated Contribution Refund for a Named Beneficiary was approved as follows - (None)

C-7 Purchases of Creditable Service Time were approved as follows

<u>NAME</u>	<u>DATE</u>	<u>YEAR PURCHASED</u>	<u>HOURS USED</u>	<u>CASH USED</u>	<u>Total Buyback \$</u>	<u>Buyback Type</u>
Nisca Cesar	7/12/2012	0.50	120.25	\$ -	\$ 2,390.57	Probation
William Geddes	7/13/2012	0.50	127.34	\$ -	\$ 2,894.44	Probation

C-8 Request for up to Two (2) years of additional creditable service were approved as follows -

<u>Employee Name</u>	<u>Private Sector</u>	<u>Prior Military</u>	<u>Prior Gov't</u>	<u>Cred. Service Applying for</u>
Anthony Shaw	x			2.0
Mario Diaz			x	2.0
Yvonne Sepulveda			x	2.0
William Geddes			x	2.0
Keith Wilder			x	2.0
Amy Rosen Brusco			x	2.0
Narinder Singh	x			2.0

PENSION BOARD MINUTES

August 7, 2012

Page 3

C-9 DROP applicants were approved as follows -

<u>Name</u>	<u>Effective</u>		<u>Estimated Monthly Benefit</u>	<u>Maximum Last DROP Pmt.</u>
Francisco Diaz	9/1/2012	\$	1,327.99	08/01/2015
William Macdonald	8/1/2012	\$	6,660.00	07/01/2015
Anthony Shaw	9/1/2012	\$	4,035.17	08/01/2015

**C-10 Lump Sum Refunds Paid since the last meeting
were approved as follows -**

<u>NAME</u>	<u>CK#</u>	<u>AMOUNT</u>
IRA Rollover - Chaquenta Thomas	113343	\$ 13,186.46
Lump Sum - William Abreu	113344	\$ 11,409.65
945- Tax Deposit - William Abreu	xxxx	\$ 2,852.41
IRA Rollover - Rebecca Wakefield	113345	\$ 14,612.60
Lump Sum -Simon Carvil	113346	\$ 15,176.05
945 Tax Deposit- Simon Carvil	xxxx	\$ 3,794.01
IRA Rollover - Gustavo Andino	113347	\$ 6,945.03

C-11 The Financial Reports were approved as presented.

C-12 Requests for Payment

ADMINISTRATIVE EXPENSES

Legal

Steve Cypen- Legal Services

Legal services rendered for the month of August 2012 \$ 5,000.00

Bookkeeping

Joan Wall- Bookkeeping

services rendered for the month of August 2012 2012 \$ 350.00

Actuary Fee

GRS- Actuary Fees

Actuary fees rendered through 6/30/12 Per inv.#119019 \$ 1,596.00

Office, etc.

Copier - Sharp Lease

Monthly copier fees per inv.# 205991839 \$ 228.56

Copier- Sharp

Usage fee and meter reading per inv. # C760044-551 \$ 13.99

Storage - IDD

Monthly storage fee per inv.# 0069772 \$ 49.13

Office Maintenance- CMB Property Management

Monthly maintenance June 2012 Per inv.# 00030912 \$ 1,392.93

Printing & Postage- CMB Central Services

June 2012 Per inv.# 00030921 \$ 865.38

PENSION BOARD MINUTES

August 7, 2012

Page 4

Office, etc. - continued

Office Supplies- Office Depot

Per inv.# 611693380001,616776090001,616777555001 \$ 246.70

Verification Services- The Berwyn Group

Death Check Verification Services Per inv.# 20671 \$ 308.00

Investment Consultant Fees

Investment Managements Fees- Rhumblin

Qtr. Ending 6/30/12 Per inv.# gmbeach2012Q2 \$ 16,057.00

Investment Managements Fees- Rhumblin

Qtr. Ending 6/30/12 Per inv.# mbgadr2012Q2 \$ 3,750.00

Investment Managements Fees- ICC Capital

Qtr. Ending 6/30/12 per inv.# 57532510 \$ 40,850.55

Custody Fees

Fiduciary International - Quarterly Custody Fee

Wentworth Hauser Qtr. Ending 6/30/12 per inv. # S14800184869 \$ 1,282.52

Fiduciary International - Quarterly Custody Fee

Investment Counsel Qtr. Ending 6/30/12 per inv.# S14800184858 \$ 1,895.87

Fiduciary International - Quarterly Custody Fee

GE Ret. Sys. Qtr. Ending 6/30/12 per inv.# S14800184857 \$ 4,526.29

C-13 Requests for Payment (Conferences)

Conv/Seminars/Dues/Etc

Conf. & Edu - FPPTA

Registration fee for Echo Herman CPPT Trip to Wall Street 2013 \$ 600.00

REGULAR AGENDA

R-1 Deferred Items - (None)

R-2 New Items -

- A.** Property Management May 2012 Invoice - The Administrator provided the Board a detailed breakdown of the City of Miami Beach property management monthly charges by department for the month of May 2012. He said that there had been a direct overhead cost in the amount of \$4,251.13 assigned to the carpet cost of \$6,661.75. A discussion ensued regarding the high cost and authorization of the installation of the carpet.

PENSION BOARD MINUTES

August 7, 2012

Page 5

The Administrator said that he had authorized the installation of the office carpet provided that it would be part of the City Hall replacement and renewal budget. He said that otherwise he had requested an estimate from the property management department to provide to the Board. He said that he would provide email correspondence showing this fact at next month's pension board meeting. The Administrator was instructed to contact the property management division so that someone in that department could be present to explain the total cost of the carpet.

R-3 Other Business

- A. The Administrator's Report - The Administrator said that he had revamped the process of compiling the actuarial data and was working on the current fiscal year's data already in order to have it ready before the year end.

R-4 Quarterly Investment Reports

- A. Bill Cottle, Milliman Inc. - Mr. Cottle went over the Fund's 2nd quarter performance results. He said that the Fund earned -2.7% for the 2nd quarter but the fiscal year investment earnings were above 15% through July 2012. He stated that ICC's poor investment performance in the most recent quarter and current fiscal year had dragged down the fund's overall return below the fund's benchmark that had returned -2.1% for the 2nd quarter. Mr. Cottle continued to go over the performance of the Fund as per the quarterly report.
- B. Equity manager presentations - David Schwarzenberger of WHV Investment Advisers briefly reviewed the WHV International ADR account performance per their quarterly report. Mr. Schwarzenberger introduced Reiner Triltsch, portfolio manager for the WHV emerging market fund, to the Board. Mr. Triltsch introduced himself to the Board.

PENSION BOARD MINUTES

August 7, 2012

Page 6

Mr. Triltsch gave the Board an overview of Emerging Markets and how the world's emerging markets compare in relation to gross domestic product, population and market capitalization versus developed markets. He reviewed the investment philosophy and portfolio construction process of the WHV emerging markets account. Mr. Triltsch concluded going over the WHV emerging markets quarterly report. Mr. Bart McMurry of ICC presented his quarterly report.

- C. Bill Cottle, Milliman Inc. - Large Cap Core Equity Manager Search - Mr. Cottle went over the Large Cap Core Equity Manager Search. He said that he had provided the Board ICC's performance results in the search report for comparative purposes. Mr. Cottle recommended three (3) of the six (6) firms for a finalists interview. Mr. Cottle recommended Brown Brothers, PIMCO and Wellington for a finalist presentation. He said that he suggested that ICC be allowed to make a presentation as well. A discussion ensued.

A motion was made by Mr. Green duly seconded by Ms. Walker, and unanimously

RESOLVED that the firms Brown Brothers, PIMCO, Wellington and ICC be invited for a finalist's interview on Tuesday, September 11, 2012 the date of the next regularly scheduled board meeting.

R-5 For Your Information

Chairman Boyd and Mr. Cypen reviewed For Your Information.

There being no further business to discuss, a motion was made by Ms. Fernandez duly seconded by Mr. Green and unanimously

RESOLVED That the meeting be adjourned. The meeting was adjourned at 11:55 a.m.

James Boyd, Chairman

Hilda Fernandez, Secretary